

NYMEX OIL: US\$87.69
+\$1.62
December delivery
NYMEX N. Gas: US\$3.648
+\$0.018 per MMBTU
November delivery



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KEYSTONE GETS KEY SUPPORT

The controversial Keystone XL pipeline project received a boost Wednesday in the form of support from a key U.S. politician. Senator Michael Flood, speaker of the Nebraska state legislature, wrote a letter to his colleagues outlining, in part, why he believes a proposed law to divert the pipeline route around an environmentally sensitive area, known as the Sandhills, could be unconstitutional. "Considering that the Keystone XL project, in particular, is nearing the end of federal and state review processes, a (necessarily) lengthy new state process at this point, however good and worthy its goals, would significantly disrupt interstate and foreign commerce," Flood wrote. The senator added that he believes a special sitting of the state legislature to review the project would not be necessary. Calgary-based TransCanada's \$7-billion pipeline would carry bitumen from the Alberta oil sands to upgraders and refineries in Texas. TransCanada has responded to concerns in Nebraska by committing to several new measures, including a \$100 million bond that would be used to clean up any spills, adding additional casings to the pipe in environmentally sensitive areas, and to do more water testing.

TRANS MOUNTAIN LINE APPORTIONED IN NOVEMBER

Kinder Morgan Energy Partners' oil pipeline to Canada's West Coast from Alberta is overbooked for November, forcing it to claw back its shippers' nominated volumes, the company said on Friday. Kinder Morgan said its shippers would be able to move just 44 percent of hoped-for volumes on the 300,000 barrel a day pipeline system. That translates into accepted nominations of 280,920 bpd for the pipeline. It was moving 48 percent of nominated volumes in October. Accepted volumes on the associated Puget Sound line are 145,790 bpd for November and for the Westridge Dock are 44,877 bpd.

EU TO DEFEND OIL SANDS PLAN AT WTO

European Union proposals to rank Canadian oil sands as a highly polluting fuel can probably be defended if Ottawa challenges the move at the World Trade Organization (WTO), legal advisers to the EU's executive have said. "The Commission's Legal Service has provided reassurance that the greenhouse gas methodology set out in the implementing directive... may probably be defended in the case of a challenge before the WTO," said a letter sent to EU government experts by the bloc's executive. The proposed EU ranking assigns oil sands a default greenhouse gas value of 107 grams of carbon per megajoule, making it clear to buyers that it has a greater climate impact than conventional crude oil, whose value is 87.5 grams. It finalises EU legislation agreed in 2008 to force suppliers to reduce the carbon intensity of their fuels by 6 percent by 2020. The Commission letter said legal advice showed the proposal is science-based and non-discriminatory, and added that Canadian authorities had not disputed

the 107 grams per megajoule value during stakeholder consultations on the plans. Even if WTO authorities disagreed with the EU's stance, the Commission said it would claim a derogation under global trade rules designed to conserve finite natural resources to defend the rules. The letter was sent to EU member state experts, who will meet on Tuesday to debate the proposed ranking. The government of Alberta, home to Canada's huge deposits of oil sands, has written to EU experts voicing "grave concerns" the bloc's plans to rank unconventional oil as a highly polluting fuel are unfair and a potential threat to trade ties. "The proposed measure has been deliberately crafted in such a way as to discriminate specifically and uniquely against oil sands derived fuels," according to a copy of the letter. "Alberta believes that the Fuel Quality Directive implementing measure as it currently stands would be incompatible with the EU's international trade obligations."

PRECISION DRILLING Q3 RESULTS

Precision Drilling Corp., Canada's biggest oil and gas driller, said on Friday its quarterly profit rose by nearly half, thanks to booming North American demand that could last for the remainder of the year. Despite volatile oil and depressed natural gas prices, the Calgary-based company plans to expand its drilling fleet in both Canada and the United States, while also moving units into the Saudi Arabian market. Demand is rising as the oil and gas companies that hire Precision's fleet to drill their wells move to target unconventional oil and rich natural-gas liquids fields like the Eagle Ford in Texas and the prolific Bakken field that lies primarily under North Dakota, Montana and Saskatchewan. Because of a high call for its rigs, the company said it expects to be able to charge higher rents, known as dayrates, for the use of its fleet, as it continues to rebound from the recession two years ago when demand withered. "Dayrates continued the upward trend of the past several quarters," Kevin Neveu, the company's president, said in a statement. "Precision expects dayrates to continue to increase through the fourth quarter of this year." Precision also said it is expanding internationally, sending three rigs to work in Saudi Arabia beginning in early 2012. Despite the company's positive outlook, its Toronto-listed shares fell on Friday, dropping 52 Canadian cents, or 4.5 percent, to C\$11.08 by late afternoon as some investors worried that volatile oil markets could lead producers to hold the line on capital spending next year. "This kind of pull-back may be a bit overdue," said Chad Friess, an analyst at UBS Securities Canada. "The street is just a little too optimistic about ... the pace of growth the company is going to be able to realize. It doesn't really change the long-term outlook for the company but I think people got a little bit ahead of themselves on the numbers. But there wasn't a lot of negative things that came out of the earnings report." The company reported third-quarter net income of C\$83.5 million (\$82.7 million), or 29 Canadian cents a share, compared with C\$56.3 million, or 20 Canadian cents, in the year-ago quarter. The results, which included an income tax charge



Athabasca Chipewyan First Nation (ACFN) Industry Relations Corporation (IRC)

*is now accepting applications for a
Regulatory Affairs Coordinator*

REGULATORY AFFAIRS COORDINATOR

The Regulatory Affairs Coordinator provides environmental and project management support to the ACFN IRC in the context of Aboriginal consultation on regulatory applications for approvals and permits. The Regulatory Affairs Coordinator works on behalf of the First Nation to uphold the First Nations' interests and treaty rights in the regulatory process involving both industry proponents and government regulators.

The successful candidate will be a highly motivated, organized and adaptive individual that has a desire to be involved in First Nations issues related to the regulatory process. As a valued member of the ACFN IRC, you will have the ability to thrive in an environment that supports co-operation and teamwork while contributing to the ongoing development of the First Nations' capacity to deal effectively with large-scale industrial development.

Responsibilities will include, but are not limited to:

- Working with the ACFN IRC Director, other staff and technical consultants to identify the concerns of the First Nation in regards to proposed developments and bringing those concerns forward in the regulatory process.
- Tracking regulatory deadlines for projects and managing the corresponding consultation activities.
- Coordinating third party technical reviews of project application information including environmental impact assessments.
- Providing senior review of technical reports, proposals and communications.

Qualifications:

- Bachelor's degree in the natural sciences, engineering, political science or environmental discipline
- Relevant experience with environmental assessments, compliance, and Aboriginal First Nation Rights
- Knowledge of the Albertan and Canadian regulatory systems for oil and gas and pipeline project development
- Strong time management skills an asset
- Exhibit excellent technical writing and communication skills
- Strong leadership and interpersonal skills
- Knowledge of Aboriginal consultation and First Nations issues with regards to development an asset

Competition closing date: November 4, 2011, 4:30 pm
Salary will be based on experience and qualification.

Forward resumes in confidence to:

**Athabasca Chipewyan First Nation
Industry Relations Corporation
Attention: Rose Ross
110B -9816 Hardin Street
Fort McMurray, AB T9H 4K3**

email: rose.ross@acfn.com

We thank all those who respond to this competition, but only those applicants who have been selected for an interview will be contacted

of 9 Canadian cents a share and a foreign exchange gain of a similar amount, beat the average analyst profit forecast of 21 Canadian cents a share, according to Thomson Reuters I/B/E/S. Revenue jumped 37 percent to C\$492.9 million, due to a rise in rates and drill utilization days in Canada and the United States. Although wet weather hurt activity levels in Canada during the first part of the quarter, they increased rapidly in August and September.

OUTAGE AT CELTIC PLANT

Canadian oil and gas explorer Celtic Exploration Ltd said its Kaybob K3 gas plant in Alberta was shut down and remained offline for nine days due to certain mechanical issues. Western Canada-focused Celtic said the plant, operated by private natural gas processor SemCAMS ULC, was expected to restart on Oct. 28. Celtic said production processed at the K3 plant is about 5,500 barrels of oil equivalent per day (boe/d). In April, the company said first-quarter production has been hit by about 1,000 boe/d due to plant outages at the Kaybob KA and K3 facilities.

COMPANIES DRILLING IN OHIO'S UTICA SHALE

Oil companies are scrambling to drill in the Utica shale, a new, unconventional oil hub in eastern Ohio that some say has more potential than other U.S. shale plays. Eight companies have started seeking cheap, domestic oil in the Buckeye state and secured drilling permits for more than 80 oil and gas wells since December 2009, data from the Ohio Department of Natural Resources shows. The companies will likely use hydraulic fracturing technology, which has unlocked huge shale gas and oil reserves in fields from North Dakota to Texas, on the shale rock in Utica. The technology involves blasting tight rock with chemical-laced water and sand, a controversial practice that fostered a boom in neighboring Pennsylvania but is subject to a moratorium in New York state. No clear evidence exists on the potential of the play, however, as only a few wells have been drilled and no independent reserve estimates are available. Nonetheless, the Utica shale has captured U.S. oil companies' imagination, especially since the start of the third quarter, when Chesapeake Energy Corp called the oil and gas field "economically superior" to the Eagle Ford prospect in south Texas. Chesapeake plans to have eight rigs operating in Utica by the end of this year and hopes to find a joint-venture partner this month. Early in September, Hess Corp entered a \$593 million joint-venture agreement with Consol Energy to develop the latter's shale assets in the prospect. Official records show Consol obtained drilling permits for two horizontal and one vertical wells in June and August.

Anadarko, among the latest entrants, acquired permits for six wells in Utica in September.

SCHLUMBERGER Q3 RESULTS

The world's largest oilfield services company, posted a lower-than-expected third-quarter profit and acknowledged that financial turmoil would dampen near-term earnings, sending its shares down 1 percent. Oil prices are down from their second-quarter peak, raising concerns that energy companies may trim spending on new wells. But Schlumberger said growing demand for offshore drilling would help its business. The company is also getting a boost from activity in Iraq, Saudi Arabia, Mexico and Brazil. Paal Kibsgaard, Schlumberger's new chief executive, described Wall Street estimates for fourth-quarter profits, which average \$1.19 per share, as "on the optimistic side." Analysts said the company had tried to cool expectations for the third quarter too, but the hints went largely unheeded. A surge in offshore drilling, however, along with all the growth outside North America, underpinned a good 2012 outlook. "While the financial turmoil introduces some uncertainty over near-term activity, it has yet to have an impact on the actual activity of our customers," Kibsgaard told analysts on a call, anticipating that any reductions would be "short-lived." Third-quarter profits were hurt by significant delays in start-ups on Middle East land-based seismic surveys, which clients use as a visual guide to drilling, Schlumberger said. "Beyond that, its outlook for the service industry remains very positive," said Bill Conroy, head of research at Houston-based Pritchard Capital. North American profits topped expectations, driven by drilling in shale fields. Kibsgaard said the main concerns in that area were around a potential slide in prices for pressure pumping as more equipment is built to serve the market. Overall, Schlumberger's third-quarter net profit fell to \$1.3 billion, or 96 cents a share, from \$1.7 billion, or \$1.38 a share, a year earlier, when it recorded a gain of nearly \$1 per share on the increased value of M-I Swaco after buying Smith International, its partner in the joint venture. Excluding one-time items, Schlumberger earned 98 cents per share, below an average forecast of \$1.01, according to Thomson Reuters I/B/E/S. Revenue rose 49 percent to \$10.23 billion. The quarter also included a handover of the CEO mantle to 44-year-old Kibsgaard from Andrew Gould, a respected industry figure who remains chairman but is due to retire this year. Asked about the global oil market, Gould did not see a risk of disruption from fresh oil supplies, and noted the demand impact of recent uncertainty was "not particularly powerful." "I don't see that supply could change the picture in the short term," he



Athabasca Chipewyan First Nation Industry Relations Corporation

Come join our team today!

EMPLOYMENT OPPORTUNITY

Land Use Coordinator

Athabasca Chipewyan First Nation (ACFN) Industry Relations Corporation (IRC) is currently accepting applications for the position of *Land Use Coordinator*. The IRC is seeking a motivated individual in the related field whom has experience working with Aboriginal communities and organizations. This is a great opportunity to provide creativity, expertise, and support for a small, busy First Nation corporation.

The Land Use Coordinator is responsible for the land use planning activities of the ACFN Industry Relations Corporation, including the coordination and management of land use data / information, issues and concerns, traditional land use studies, developer applications and activities, government and industry consultations and community engagement.

Qualifications and Competencies:

- Post-Secondary Degree in related discipline (Land Use Planning, Geography, Environmental Science, Natural Resource Management...) experience in land use planning, working with First Nation Communities
- Experience in traditional land use and occupancy mapping
- Extensive awareness and / or knowledge and understanding of environmental and socio-economic issues and concerns, specific to First Nation Communities and Editorial skills
- Strong research, analysis and report writing skills;
- Knowledge of Industrial development within the Athabasca Oil Sands

Duties:

- Data management plan
- Effective and efficient use of ACFN TUS in screening proposed development activities for potential conflicts
- Reviewing and monitoring land leases and permits
- Liaising with regional, provincial and federal bodies responsible for land use planning and natural resource management
- Manage and oversee Land Use Studies -Develop terms of reference for all land use studies that are required;
- Liaison between consultants, the IRC, and the ACFN community
- Disseminating information from external meetings and discussions
- Participating in the scheduling and preparation of meetings
- Oversee consultants; manage regulatory scope of works and contracts.

Competition closing date: November 4, 2011, 4:30 pm
Salary will be based on experience and qualification.

Forward resumes in confidence to:

**Athabasca Chipewyan First Nation
 Industry Relations Corporation**

**Attention: Rose Ross
 110B -9816 Hardin Street
 Fort McMurray, AB T9H 4K3**

email: rose.ross@acfn.com

We thank all those who respond to this competition, but only those applicants who have been selected for an interview will be contacted

INVESTMENT OPPORTUNITY



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said, adding that he might "come and say goodbye" on the January conference call. On Monday, rival Halliburton Co posted a better-than-expected quarterly profit, but its less assured view of North American prospects led investors to hammer down its shares. Schlumberger shares were down 1 percent at \$67.23 in afternoon trading, while higher oil prices lifted the Philadelphia oil service index

by more than 1 percent. As of Thursday, Schlumberger's shares were down 23 percent in the past six months, while Halliburton was down 31 percent, both tracking the sector in response to weaker oil prices. Smaller rival Weatherford International Ltd reports earnings next Tuesday, following by No. 3 player Baker Hughes Inc a week after that.